



**The Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: George Enterprises--Request for Reconsideration

File: B-225885.2

Date: January 20, 1987

DIGEST

To be considered an interested party to have standing to protest under the Competition in Contracting Act of 1984, and GAO Bid Protest Regulations, a party must be an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of a contract or the failure to award a contract. A firm which may supply its product to bidders in a federal procurement, but which is not an actual or prospective bidder itself, is not an interested party. -

DECISION

George Enterprises (George) requests that we reconsider our dismissal of its protest against the Army's decision to exercise an option under a contract held by Days Cleaning Service (DCS) for cleaning services for Fort Huachuca, Arizona. We affirm our prior dismissal.

George, a potential supplier of cleaning products to the prime contractor, DCS, protested that the Army improperly failed to conduct a market survey of cleaning product prices prior to exercising DCS' option. In this regard, George argued that DCS must use George's products if the results of a market survey show that George's prices for cleaning products are lower than other cleaning product suppliers' prices. We dismissed the protest because under our Bid Protests Regulations, 4 C.F.R. § 21.3(f)(10) (1986), our Office does not consider subcontractor protests except where the subcontract is by or for the government.

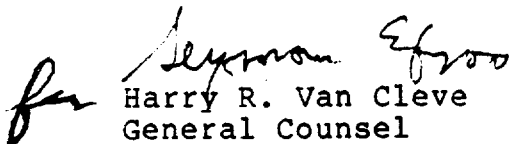
In its request for reconsideration, George essentially argues that since prior to exercising DCS' option, the government should conduct a market survey of cleaning product suppliers' prices; the government, in effect, is involved with the selection of a subcontractor.

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There is no indication that any subcontracts to be awarded are by or for the government. George essentially is urging that the government, under its contract with DCS, require DCS to use George's cleaning products. However, DCS' contract is for cleaning services and the government is not involved in DCS' selection of cleaning products for use by that firm in carrying out the cleaning services contract.

Concerning George's argument that the government, prior to exercising DCS' option for cleaning services, should perform a market survey of cleaning product prices (including George's product prices), we are unaware of any requirement that the government prior to exercising an option with an incumbent (prime) contractor perform a market survey of its potential subcontractors' prices.

While we will consider subcontractor protests where the subcontract is by or for the government, we will only do so where the protester is an interested party as defined in the Competition in Contracting Act of 1984 (CICA), 31 U.S.C. § 3551 (Supp. III 1985). See U.S. Polycon Corp., B-219298, Sept. 18, 1985, 85-2 C.P.D. ¶ 298. CICA defines an interested party for purposes of eligibility to protest as an "actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by the failure to award the contract." This statutory definition of an interested party is reflected in our Bid Protest Regulations implementing CICA. See 4 C.F.R. § 21.0(a). Since George, by its own admission, is not an actual or prospective bidder or offeror for the cleaning services required, it does not qualify as an interested party under CICA and our regulations. See Preventive Maintenance Services--Request for Reconsideration, B-223963.4, Sept. 12, 1986, 86-2 C.P.D. ¶ 294. Our dismissal of the firm's protest therefore is affirmed.


Harry R. Van Cleve
General Counsel